
**Montana State Library
Commission**

This report documents the results of our financial-compliance audit of the Montana State Library Commission (Library) for the two fiscal years ended June 30, 2005. The previous audit report contained no recommendations.

We issued an unqualified opinion on the financial schedules contained in this report. This means the reader can rely on the presented financial information and the supporting data on the state's accounting records

This report contains two recommendations related to compliance with state & federal laws and policies. This report also contains a disclosure issue regarding the periodical database. The Library's response to our recommendations begins on page B-3.

The listing below serves as a means of summarizing the recommendations contained in the report, the Library's response thereto, and a reference to the supporting comments.

Recommendation #1

We recommend the Library analyze its federal special revenue fund accounts as required by state accounting policy and resolve identified errors..... 4

Agency Response: Concur. See page B-3.

Recommendation #2

We recommend the Library establish controls over donations in accordance with state policy. 4

Agency Response: Concur. See page B-3.